

County of Santa Clara

Finance Agency
Controller-Treasurer

County Government Center
70 West Hedding Street, East Wing 2nd floor
San Jose, California 95110-1705
(408) 299-5206 FAX 287-7629



December 12, 2014

State Controller's Office
Accounting & Reporting Division
3301 C Street, Suite 740
Sacramento, CA 95816

Re: San José Successor Agency – Verification of Insufficiency of Funds for the period of January 1, 2015 – June 30, 2015 (ROPS 14-15B)

Dear State Controller:

On December 1, 2014, the San José Successor Agency (SJSA) notified us of its anticipated insufficiency of funds to meet its obligations for the period of January 1, 2015 through June 30, 2015 (ROPS 14-15B), as indicated in the attached letter.

Pursuant to Health and Safety Code section 34183(b), and based on the information provided by SJSA, we have verified that it is expected that SJSA will have insufficient funds for the ROPS 14-15B period. However, according to our findings, the insufficiency amount is \$101,661,670 and not the \$113,471,000 amount claimed by SJSA. This difference is due to updated expected available RPTTF distribution amounts, the reporting of gross property sale proceeds, the inclusion of the outstanding Prior Period Adjustments (PPA) for ROPS I through ROPS 13-14A, and updated amounts for the Fiscal Year 14-15 Intra-Year Reimbursement Reserve payable to the City from other funds.

Attached is our verification worksheet. With the State Controller's concurrence, the distribution amount will be in accordance with Health and Safety Code section 34183(b), which prioritizes payment for bond debt.

If you have any questions, please feel free to contact Veronica Niebla, Division Manager, at (408) 299-5209.

San José Successor Agency – Verification of Insufficiency of Funds
January 1, 2015 – June 30, 2015 (ROPS 14-15B)
December 12, 2014

Sincerely,



Emily Harrison
Director, Finance Agency

Attachments: Insufficient Funds Verification Worksheet
SJSA Notice of Insufficient Funds Letter dated December 1, 2014
ROPS 14-15B
Department of Finance's ROPS approval letter

cc: Chris Hill, State Department of Finance
Edward Shikada, Executive Officer, SJSA
Abraham Andrade, Finance Director, SJSA

Richard A. Keit, Managing Director, SJSA
Julia Cooper, Chief Financial Officer, SJSA

Successor Insufficiency Claim Analysis Form

County: Santa Clara
 Successor Agency: City of San Jose Successor Agency
 For the Period: January - June 2015 (ROPS 14-15B)

Prepared by: County of Santa Clara
 Date: 12/12/2014

Beginning Cash Balance (Forecast)

Bond Proceeds	\$	340,000	
RPTTF Debt Service Reserve from ROPS		-	
Cash Reserve Per Reimbursement Agreement		-	
Unrestricted Cash & Investments (Forecast) (1)		-	
HUD Restricted Fund		134,000	
MLK Library Escrow Funds		1,832,585	
Land/Asset Sale (2)		5,506,324	
CET Escrow Funds		22,432	
Total Beginning Cash Balance as of January 1, 2014 (Forecast)	\$		7,835,341

REVENUES:

Total Expected RPTTF Available For Distribution (3)		106,749,473	
Other Expected Additional Cash In-Flows (4)			
Grant Funds		3,416,804	
Accounts Receivables		67,407	
Rent, Parking, Other Revenue		492,730	
CDBG Fund		58,000	
HUD 108 Loan Repayment Escrow Funds		180,000	
HUD 108 Loan Repayment Escrow Funds - adjustment to restrict for HUD pmts		(253,597)	
Total Other Expected Additional Cash In-Flows	\$		3,961,344

EXPENDITURES:

County Cost Recovery		1,509,600	
Pass-Through Payments		109,901,115	
Approved ROPS 14-15B Funded w/ RPTTF (Non-Administrative costs)		92,627,069	
Approved ROPS 14-15B Funded w/RPTTF Admin		1,841,423	
Approved ROPS 14-15B Funded with Other Funds-Bond		574,136	
Approved ROPS 14-15B Funded with Other Funds-HUD		60,403	
Approved ROPS 14-15B Funded with Other Funds-Grant		3,416,804	
Approved ROPS 14-15B Funded with Other Funds-Escrow CET		22,432	
Approved ROPS 14-15B Funded with Other Funds-Escrow MLK		1,832,585	
Approved ROPS 14-15B Funded with Other Funds-City Reimb.		10,600,000	
Approved ROPS 14-15B Funded with Bond Proceeds		340,000	
Reduction per HS § 34186(a) - CAC ROPS I - ROPS 13-14A balance amount (5)		(2,528,829)	
Projected Surplus (Insufficiency)	\$		(101,650,580)

Santa Clara County's determination:

Insufficient	Sufficient
X	

Notes:

- (1) Available Cash = Unencumbered cash available for current period's enforceable obligations appearing on the ROPS.
- (2) This amount represents the property sale proceeds for the Century Residence (\$4,521,888) and Twohy Building (\$984,436). The SA amount reported is net a payment for ERAF, ROPS 14-15A Items 62-63, partially funded from the sale proceeds. In addition, this amount does not included the expected, but unknown amount of proceeds, related to FC Pavilion Theatre LLC exercising the option to purchase fee simple title to the Theater. The unknown amount of the sale will be received during the upcoming ROPS period of January 1 - June 30, 2015.
- (3) Gross amount, before Pass-Through Payments, Cost Recovery, or Administrative Allowance.
- (4) Potential Other In-flows include rents, returns of deposits, proceeds from the sale of assets, and the return of improperly transferred funds.
- (5) The county auditor-controller amount represents the net PPA for ROPS I through ROPS 13-14A as of ROPS 14-15B. The Successor Agency/City and County are in discussions regarding the collection of the PPA. Any uncollected amount of the PPA will be recovered in a future period or through alternate mechanisms.

December 1, 2014

Emily Harrison
Finance Director
Santa Clara County
70 West Hedding Street, East Wing, 2nd Floor
San Jose, CA 95110

Subject: Notification of Insufficiency of Funds

Dear Ms. Harrison:

Pursuant to Redevelopment Law ABX126, Section 34183 (b), , the Successor Agency to the Redevelopment Agency of the City of San Jose ("Successor Agency") hereby submits its letter to notify the County of Santa Clara Auditor-Controller that the total amount available to the Successor Agency from the Redevelopment Property Tax Trust Fund (RPTTF) allocation funds are insufficient to meet the payment obligations as identified on the ROPS 14-15B, for the period covering January 1 through June 30, 2015.

On November 15, 2014, the City received notification that the State Department of Finance ("DOF") reduced the authorized amount of RPTTF distribution by \$10 million related to the as yet unauthorized partial reinstatement of the SERAF Loan from the City to the former Agency. Since the Successor Agency is still in an insufficiency of funds situation, all of the RPTTF should be distributed in January 2015 to meet all of its enforceable obligations due in the 14-15B ROPS period.

The Successor Agency is disputing the DOF deduction of \$10 million from the scheduled RPTTF distribution, so two separate Insufficiency of Funds worksheets are provided to demonstrate the impact.

The first Insufficiency of Funds worksheet (Attachment A) includes the County RPPTF distribution projection, the forecasted beginning cash balance as of January 1, 2015, and all other sources of revenue that is scheduled to become available in the ROPS 14-15B reporting period. The projected deficit, as forecasted on the worksheet totals \$4,924,000 including administrative costs and \$109,609,000 when including the County Settlement and Pass-Through payments.

The second Insufficiency of Funds worksheet (Attachment B) includes the DOF RPPTF authorized distribution projection, the forecasted beginning cash balance as of January 1, 2015,

December 1, 2014

Subject: Notification of Insufficiency of Funds

Page 2

and all other sources of revenue that is scheduled to become available in the ROPS 14-15B reporting period. The projected deficit, as forecasted on the worksheet totals \$8,786,000 including administrative costs and \$113,471,000 when including the County Settlement and Pass-Through payments.

Also attached is the projected receivables and other income revenue summary for ROPS 14-15B (Attachment C).

If you have any questions please let me know at your earliest convenience.

Sincerely,

A handwritten signature in cursive script that reads "Julia H. Cooper".

Julia H. Cooper
Chief Financial Officer

Attachment

cc: Irene Lui

Successor Agency to the Redevelopment Agency of the City of San Jose
ROPS 14-15B - Insufficiency of Funds Worksheet with County RPTTF Projection
For the Period January 1 through June 30, 2015
(\$ in 000's)

ATTACHMENT A

Beginning Cash Balance as of January 1, 2015 (Forecast)

	Balance	Totals
Unrestricted Cash & Investments	\$ -	
Restricted Bond Proceeds	340	
Restricted CET Escrow Funds	22	
Restricted HUD Proceeds	134	
Cash Reserve with Fiscal Agent - for Future Debt Service Payments - 80% Funds Senior Obligations	-	
Cash Reserve with Fiscal Agent - for Future Debt Service Payments - 20% Set-aside Funds Obligations	-	
Land/Asset Sales	3,484	
Total Cash on Hand as of January 1, 2015 (Forecast)	\$	3,980

Cash Inflows:

RPTTF Beginning Fund Balance (Per County Controller-Treasurer)	105,055	
Less: PERS Levy	N/A	
Less: Santa Clara Valley Water District Levies	N/A	
Less: Roll Corrections	N/A	
Less: Assessment Appeals	N/A	
Total RPTTF Available Balance	105,055	
Plus: Release of PERS Levy held by County	N/A	
Less: AB x1 26 County Auditor Admin Cost	192	
Less: SB2557 Property Tax Administrative Fees	1,318	
Less: AB1290	5,216	
Total Net Property Tax Distribution to Successor Agency from RPTTF for January 1, 2015		98,330

Other Income/Sources (Forecast)

Interest Income	36	
Rent, Parking Revenues, DDA Participation Payments	457	
Accounts Receivables	67	
CDBG Fund Advance - Per Reimbursement Agreement	58	
Parking Fund Advance - Per Reimbursement Agreement	-	
General Fund Advance - Per Reimbursement Agreement - to fund Admin Cost	-	
HUD 108 Escrow Funds	180	
Restricted Cash - Bond Proceeds	-	
Grant Funds	-	
Property Disposition Sales	-	
Total Cash Inflows (Forecast)		798

Total Available Cash from Beginning Balance, DOF RPTTF Approval, and Other Income (Forecast)

\$ 103,108

Cash Outflows (ROPS 14-15B RPTTF Eligible Obligations):

Debt Service Payments - Housing Set-Aside Senior Allocation Bonds - Wells Fargo Bank	\$ 5,692	
Debt Service Payments - Senior Tax Allocation Bonds - Union Bank	36,527	
Debt Service Reserve for 15-16A 80% Senior TABS and other bonded debt service	36,829	
Debt Service Payments - Housing Set-Aside Subordinate Bonds 2010C - Wells Fargo Bank	1,366	
Debt Service Payments - Variable Rate Bonds - US Bank	175	
Fiscal Agent Fees - Senior Tax Allocation Bonds - Union Bank	36	
Fiscal Agent Fees - Variable Rate Bonds - US Bank	-	
Letter of Credit Fees/Callable Commercial Paper - Variable Rate Bonds - JP Morgan	500	
Remarketing Fees/S&P Annual Analytical Review - Variable Rate Bonds	46	
Fiscal Agent Fees - Housing Tax Allocation Bonds - Wells Fargo Bank	7	
Debt Service - Commercial Paper	300	
Debt Service/Fiscal Agent Fees - Fourth & San Fernando Street Parking Facility Bonds	1,684	
Debt Service/Fiscal Agent Fees - Convention Center Bonds	2,507	
State of California - ERAF Loan Repayments	2,245	
Bond Logistics/Activities	88	
Legally Binding & Enforceable Obligations - ROPS 14-15B	4,593	
SARA Administrative Cost	1,841	
Sub-total Cash Outflows (Forecast)		94,436

Other Cash Outflows (Other Funding Sources)

Letter of Credit Fees - Other Misc income	574	
FY 14-15 Intra-Year Reimbursement Reserve to the City of San Jose	12,600	
HUD 108 - Loan interest Payments	60	
North San Pedro Housing Project - Bond Proceeds	340	
CET Escrow Funds	22	
North San Pedro Housing Project - State Grant Funds	-	
Sub-total Other Cash Outflows (Other Funding Sources) (Forecast)		13,596

Total Cash Outflows (ROPS 14-15B as Approved by Oversight Board 9-25-2014 & DOF Approval 11-15-2014)

\$ 108,032

Insufficiency of Funds (Projected Deficit with Admin Cost) \$ (4,924)

County Pass-Through and Settlement Agreement \$ 104,685

Insufficiency of Funds (Projected Deficit with Admin Cost and County Costs) \$ (109,609)

Successor Agency to the Redevelopment Agency of the City of San Jose
 ROPS 14-15B - Insufficiency of Funds Worksheet with Department of Finance RPTTF Authorization
 For the Period January 1 through June 30, 2015
 (\$ in 000's)

ATTACHMENT B

Beginning Cash Balance as of January 1, 2015 (Forecast)

Unrestricted Cash & Investments	\$ -
Restricted Bond Proceeds	340
Restricted CET Escrow Funds	22
Restricted HUD Proceeds	134
Cash Reserve with Fiscal Agent - for Future Debt Service Payments - 80% Funds Senior Obligations	-
Cash Reserve with Fiscal Agent - for Future Debt Service Payments - 20% Set-aside Funds Obligations	-
Land/Asset Sales	3,484

Total Cash on Hand as of January 1, 2015 (Forecast)

\$ 3,980

Cash Inflows:

Department of Finance RPTTF Approval Nov 15, 2014

94,468

Other Income/Sources (Forecast)

Interest Income	36
Rent, Parking Revenues, DDA Participation Payments	457
Accounts Receivables	67
CDBG Fund Advance - Per Reimbursement Agreement	58
Parking Fund Advance - Per Reimbursement Agreement	-
General Fund Advance - Per Reimbursement Agreement - to fund Admin Cost	-
HUD 108 Escrow Funds	180
Restricted Cash - Bond Proceeds	-
Grant Funds	-
Property Disposition Sales	-

Total Cash Inflows (Forecast)

798

Total Available Cash from Beginning Balance, DOF RPTTF Approval, and Other Income (Forecast)

\$ 99,246

Cash Outflows (ROPS 14-15B RPTTF Eligible Obligations):

Debt Service Payments - Housing Set-Aside Senior Allocation Bonds - Wells Fargo Bank	\$ 5,692
Debt Service Payments - Senior Tax Allocation Bonds - Union Bank	36,527
Debt Service Reserve for 15-16A 80% Senior TABS and other bonded debt service	36,829
Debt Service Payments - Housing Set-Aside Subordinate Bonds 2010C - Wells Fargo Bank	1,366
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Fiscal Agent Fees - Senior Tax Allocation Bonds - Union Bank	36
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Letter of Credit Fees/Callable Commercial Paper - Variable Rate Bonds - JP Morgan	500
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Fiscal Agent Fees - Housing Tax Allocation Bonds - Wells Fargo Bank	7
Debt Service - Commercial Paper	300
Debt Service/Fiscal Agent Fees - Fourth & San Fernando Street Parking Facility Bonds	1,684
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State of California - ERAF Loan Repayments	2,245
Bond Logistics/Activities	88
Legally Binding & Enforceable Obligations - ROPS 14-15B	4,593
SARA Administrative Cost	1,841

Sub-total Cash Outflows (Forecast)

94,436

Other Cash Outflows (Other Funding Sources)

Letter of Credit Fees - Other Misc Income	574
FY 14-15 Intra-Year Reimbursement Reserve to the City of San Jose	12,600
HUD 108 - Loan Interest Payments	60
North San Pedro Housing Project - Bond Proceeds	340
CET Escrow Funds	22
North San Pedro Housing Project - State Grant Funds	-

Sub-total Other Cash Outflows (Other Funding Sources) (Forecast)

13,596

Total Cash Outflows (ROPS 14-15B as Approved by Oversight Board 9-25-2014 & DOF Approval 11-15-2014)

\$ 108,032

Insufficiency of Funds (Projected Deficit with Admin Cost)

\$ (8,786)

County Pass-Through and Settlement Agreement

\$ 104,685

Insufficiency of Funds (Projected Deficit with Admin Cost and County Costs)

\$ (113,471)

Successor Agency to the Redevelopment Agency of the City of San Jose
 Receivables and Other Revenues Summary
 ROPS 14-15B - January 1 through June 30, 2015 Forecast

ATTACHMENT C

	FORECAST						ROPS 14-15B TOTAL
	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	JAN - JUNE 2015
Interest Income	6,000	6,000	6,000	6,000	6,000	6,000	36,000
HUD Lease Revenue	30,000	30,000	30,000	30,000	30,000	30,000	180,000
CDBG Fund Advance			29,000			29,000	58,000
Accounts Receivables							
Loan Receivable							
Joel L. Wyrick	1,471	1,471	1,471	1,471	1,471	1,471	8,828
Camera 12	4,000	2,500	2,500	2,500	2,500	2,500	16,500
Farmers Union Partnership	5,313	5,313	5,313	5,313	5,313	5,313	31,878
Total Loans Receivable	10,784	9,284	9,284	9,284	9,284	9,284	57,207
Small Business Loan Program							
The Oasis Spot, Inc. (Morocco's)	900	900	900	900			3,600
Ngan's Tailoring	200	200	200	200	200	200	1,200
Tee Nee Thai Cuisine	900	900	900	900	900	900	5,400
Total Small Business Loans	2,000	2,000	2,000	2,000	1,100	1,100	10,200
Total Accounts Receivable	12,784	11,284	11,284	11,284	10,384	10,384	67,407
Other Misc. Revenues							
Rent							
Two Fish Design	500	500	500	500	500	500	3,000
Pacific Car Wash	5,500	5,500	5,500	5,500	5,500	5,500	33,000
Comedy Club of San Jose	5,000	5,000	5,000	5,000	5,000	5,000	30,000
CBS Outdoor	490	490	490	490	490	490	2,940
Clear Channel	60	60	60	60	60	60	360
Paul & Jaime Nunez (456 Autumn Court)	1,230	1,230	1,230	1,230	1,230	1,230	7,380
Patty's Inn	2,285	2,285	2,285	2,285	2,285	2,285	13,710
Total Rental Income	15,065	15,065	15,065	15,065	15,065	15,065	90,390
Parking Revenue							
Green Valley Enterprises	1,890	1,890	1,890	1,890	1,890	1,890	11,340
Standard Parking	15,000	15,000	15,000	15,000	15,000	15,000	90,000
Total Parking Revenue	16,890	16,890	16,890	16,890	16,890	16,890	101,340
Misc.							
Marriott Revenue Participation	-	80,000	Semi-Annual Payments		-	-	80,000
Montgomery Hotel (Khanna Participation)	-	50,000	Semi-Annual Payments		-	-	50,000
Loaned Staff - City Reimbursement	40,000	-	-	-	-	-	40,000
101 San Fernando Annual Dues	-	-	-	95,000	-	-	95,000
Total Misc Revenue	40,000	130,000	-	95,000	-	-	265,000
Total Other Misc Revenues	71,955	161,955	31,955	126,955	31,955	31,955	456,730
Total Revenue	120,739	209,239	108,239	174,239	78,339	107,339	798,137



**DEPARTMENT OF
FINANCE**

EDMUND G. BROWN JR. ■ GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

November 14, 2014

Mr. Richard Keit, Managing Director
City of San Jose
200 East Santa Clara Street, 14th Floor Tower
San Jose, CA 95113

Dear Mr. Keit:

Subject: Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (m), the City of San Jose Successor Agency (Agency) submitted a Recognized Obligation Payment Schedule (ROPS 14-15B) to the California Department of Finance (Finance) on October 1, 2014 for the period of January 1 through June 30, 2015. Finance has completed its review of your ROPS 14-15B, which may have included obtaining clarification for various items.

Based on a sample of line items reviewed and application of the law, Finance made the following determination:

Item No. 163 – Supplemental Educational Revenue Augmentation Fund loan repayment in the amount of \$10,148,364 is not allowed.

HSC section 34191.4 (b) (2) (A) allows this repayment to be equal to one-half of the increase between the ROPS residual pass-through distributed to the taxing entities in that fiscal year and the ROPS residual pass-through distributed to the taxing entities in the fiscal year 2012-13 base. Further, HSC section 34171 (d) (1) (G) requires the Oversight Board (OB) to approve a repayment schedule for the repayment of the amounts borrowed. An OB approving the repayment schedule has not been submitted. Once the OB approves the loan and loan repayment schedule, and the corresponding OB action is approved by Finance, the Agency may request funding for this item on future ROPS. Therefore, this line item is not eligible for Redevelopment Property Tax Trust Fund (RPTTF) funding at this time.

In addition, during the review, Finance noted for Item No. 1, the Agency requested reserves for debt service payments totaling \$36,829,055. This amount was requested as reserves for debt service payments due in the second half of the calendar year. Finance notes that pursuant to HSC section 34183 (a) (2) (A), debt service payments have first priority for payment from distributed RPTTF funding. As such, the \$36,829,055 requested to be held in reserve along with the amounts required for the current ROPS period should be transferred upon receipt to the bond trustee(s). The amounts approved for debt service payments on this ROPS are restricted for that purpose and are not authorized to be used for other ROPS items. Any requests to fund

these debt service items again in the ROPS 15-16A period will be denied unless insufficient RPTTF was received to satisfy the approved annual debt service payments.

Pursuant to HSC section 34186 (a), successor agencies were required to report on the ROPS 14-15B form the estimated obligations and actual payments (prior period adjustments) associated with the January through June 2014 period. HSC section 34186 (a) also specifies prior period adjustments self-reported by successor agencies are subject to audit by the county auditor-controller (CAC) and the State Controller. The amount of RPTTF approved in the table below includes the prior period adjustment resulting from the CAC's review of the Agency's self-reported prior period adjustment.

Except for the denied in whole or in part, Finance is not objecting to the remaining items listed on your ROPS 14-15B. If you disagree with the determination with respect to any items on your ROPS 14-15B, you may request a Meet and Confer within five business days of the date of this letter. The Meet and Confer process and guidelines are available at Finance's website below:

http://www.dof.ca.gov/redevelopment/meet_and_confer/

The Agency's maximum approved RPTTF distribution for the reporting period is \$94,468,492 as summarized in the Approved RPTTF Distribution Table below:

Approved RPTTF Distribution	
For the period of January through June 2015	
Total RPTTF requested for non-administrative obligations	102,775,433
Total RPTTF requested for administrative obligations	1,841,423
Total RPTTF requested for obligations on ROPS	\$ 104,616,856
Total RPTTF requested for non-administrative obligations	102,775,433
<u>Denied Item</u>	
Item No. 163	(10,148,364)
Total RPTTF authorized for non-administrative obligations	\$ 92,627,069
Total RPTTF requested for administrative obligations	1,841,423
Total RPTTF authorized for administrative obligations	\$ 1,841,423
Total RPTTF authorized for obligations	\$ 94,468,492
ROPS 13-14B prior period adjustment	0
Total RPTTF approved for distribution	\$ 94,468,492

Please refer to the ROPS 14-15B schedule that was used to calculate the approved RPTTF amount:

<http://www.dof.ca.gov/redevelopment/ROPS>

Absent a Meet and Confer, this is Finance's final determination related to the enforceable obligations reported on your ROPS for January 1 through June 30, 2015. This determination only applies to items where funding was requested for the six-month period. Finance's determination is effective for this time period only and should not be conclusively relied upon for future periods. All items listed on a future ROPS are subject to a subsequent review and may be denied even if it was or was not denied on this ROPS or a preceding ROPS. The only

exception is for those items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of items that have received a Final and Conclusive determination is limited to confirming the scheduled payments as required by the obligation.

The amount available from the RPTTF is the same as the amount of property tax increment that was available prior to the enactment of ABx1 26 and AB 1484. This amount is not and never was an unlimited funding source. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax is limited to the amount of funding available to the agency in the RPTTF.

Pursuant to HSC section 34177 (a) (3), only those payments listed on an approved ROPS may be made by the successor agency from the funds specified in the ROPS. However, if for whatever reason the Agency needs to make payments for approved obligations from another funding source, HSC section 34177 (a) (4) requires the Agency to first obtain oversight board approval.

To the extent proceeds from bonds issued after December 31, 2010 exist and are not encumbered by an enforceable obligation pursuant to HSC section 34171 (d), HSC section 34191.4 (c) (2) (B) requires these proceeds be used to defease the bonds or to purchase those same outstanding bonds on the open market for cancellation.

Please direct inquiries to Wendy Griffe, Supervisor or Jenny DeAngelis, Lead Analyst at (916) 445-1546.

Sincerely,



JUSTYN HOWARD
Acting Program Budget Manager

cc: Ms. Julia Cooper, Chief Financial Officer, City of San Jose
Ms. Emily Harrison, Controller Treasurer, Santa Clara County
California State Controller's Office